



Title: I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 10-1, Alabama Counties Income Tax Withholding

Date: January 15, 2010

To: Holders of TAXES (State of Alabama only)
Personnel User Groups
T&A Contact Points in Alabama

Beginning with wages paid for Pay Period 4, the National Finance Center (NFC) will make the following change to Jefferson County income tax withholdings:

- The tax rate for the withholding of county income tax for Jefferson, Alabama, will decrease from .5 percent to .45 percent.
- The dental and vision insurance program will be added to the nontaxable biweekly Federal Employees Health Benefits Plan payment section.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to NFC's Home Page (www.nfc.usda.gov) and click the Publications link at the top of the page. At the Publications page right-hand menu, click Tax Formulas and select the appropriate state from the map provided. Changes to the tax formula are identified by "►◄".

For questions about NFC processing, contact the Payroll/Personnel Call Center at **504-255-4630** or the EmpowHR Help Desk at **1-888-367-6955**

JOHN S. WHITE, Acting Director
Government Employees Services Division

Alabama Counties Income Tax Information

County Name	State/County Codes	County Tax Status
Jefferson	01/073	Duty Station/mandatory
Macon	01/087	Duty Station/mandatory

Withholding Formula ►(Effective Pay Period 4, 2010)◄

1. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) ►(includes dental and vision insurance program, and flexible spending account – health care and dependent care deductions)◄ from the gross biweekly wages.
2. Multiply the adjusted gross biweekly wages by 26 to obtain the annual wages.
3. Apply the annual wages to the following guideline to determine the annual Alabama county income tax withholding.

Compute the County Income Tax Withholding For:

Jefferson
Macon

By Multiplying the Annual Wages by the Following Percentage:

►.45◄
1.0

4. Divide the annual Alabama county income tax withholding by 26 to obtain the biweekly Alabama County tax withholding.